



Monthly Revenue Release

Agency of Administration
May 13, 2019

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Montpelier, VT - Secretary of Administration Susanne Young releases Vermont's Revenue Results for April 2019. Revenue collection in the General Fund was significantly above the monthly target, while monthly revenue collection in the Education Fund and Transportation Fund were essentially on target.

Revenue collections for the month of April 2019 have been compiled. April marks the tenth month of Fiscal Year 2019 and is an important month for net tax revenue collections.

General Fund tax revenues collected for the month totaled \$248.69 million, or \$44.69 million above the April consensus target. Year-to-date, fiscal year 2019 General Fund revenues are \$50.06 million, or 4.58%, above expectations. "General Fund collections in the areas of personal income tax and corporate income tax were significantly above consensus expectations and more than offset underperformance in the insurance premium tax, the estate tax, and the property transfer tax," noted Secretary Young. "This strong April performance is reminiscent of this time last fiscal year when we were in the final stages of budget discussions and found ourselves with over \$55 million in surplus one-time funds. Whether this translates into a revenue upgrade in the general fund revenue forecast for FY20 won't be clear until the Emergency Board meets in July."

The Transportation Fund collected \$25.22 million for the month of April, or \$0.13 million above target. Despite the positive month, year-to-date, fiscal 2019 Transportation Fund revenues are -\$1.68 million, or -0.73%, below target.

The Education Fund collected \$45.27 million for the month, or -\$0.67 million below target. Year-to-date, fiscal 2019 Education Fund revenues are -\$2.32 million, or -0.53%, below target. The largest factor in the Education Fund performance is sales and use tax, which year-to-date is -\$2.42 million, or -0.69%, below target.

On a year-over-year basis, after adjusting for legislative changes noted below, the three funds in aggregate continue to reflect solid gains in a broad range of tax categories. Adjusting for these changes, for comparison purposes only, the year-to-date fiscal 2019 revenues represent increases of 7.19%, 1.44%, and 4.07% for the General Fund, Transportation Fund, and Education Fund, respectively, from the corresponding first ten months of fiscal 2018.

Note: Act 11 of 2018 made several key changes to existing State revenue and expenditure distributions effective July 1 and implemented in the current fiscal year. The most significant changes were the shift of the entirety of the Sales and Use tax and 25% of the Meals and Rooms tax from the General Fund to the Education Fund, offset by the elimination of a lump sum annual transfer of General Fund dollars to the Education Fund.

State of Vermont Revenue, by Major Fund

Month: April

vs. Consensus Revenue Forecast Target

FY: 2019

General Fund By Major Element (In Millions)*

| Tax Component | Month | | | | Fiscal YTD | | | | Prior Fiscal YTD Restated (1) | | |
|----------------------|---------------|---------------|--------------|---------------|-----------------|-----------------|--------------|--------------|-------------------------------|--------------|--------------|
| | Target | Revenue | \$ Change | % Change | Target | Revenue | \$ Change | % Change | Revenue | \$ Change | % Change |
| Personal Income | 162.60 | 199.34 | 36.74 | 22.60% | 705.78 | 747.72 | 41.94 | 5.94% | 712.90 | 34.82 | 4.88% |
| Sales & Use (1) | * | * | * | N/A | * | * | * | N/A | * | * | N/A |
| Corporate | 18.43 | 24.65 | 6.21 | 33.71% | 103.27 | 115.61 | 12.34 | 11.95% | 76.94 | 38.67 | 50.26% |
| Meals & Room (1) | 11.29 | 11.82 | 0.52 | 4.64% | 117.93 | 118.31 | 0.39 | 0.33% | 112.46 | 5.86 | 5.21% |
| Insurance Premium | 0.66 | 0.45 | -0.20 | -30.79% | 49.13 | 47.57 | -1.56 | -3.18% | 48.91 | -1.34 | -2.73% |
| Inheritance & Estate | 1.78 | 0.26 | -1.52 | -85.44% | 16.04 | 11.70 | -4.34 | -27.08% | 16.00 | -4.30 | -26.88% |
| Real Prop. Transfer | 1.04 | 0.90 | -0.14 | -13.20% | 10.85 | 10.10 | -0.75 | -6.94% | 10.09 | 0.01 | 0.07% |
| Other | 8.20 | 11.27 | 3.07 | 37.44% | 89.46 | 91.52 | 2.06 | 2.30% | 88.63 | 2.89 | 3.27% |
| Total | 204.00 | 248.69 | 44.69 | 21.91% | 1,092.47 | 1,142.53 | 50.06 | 4.58% | 1,065.91 | 76.62 | 7.19% |

*Differences due to rounding

Transportation Fund By Major Element (In Millions)*

| Tax Component | Month | | | | Fiscal YTD | | | | Prior Fiscal YTD | | |
|--------------------|--------------|--------------|-------------|--------------|---------------|---------------|--------------|---------------|------------------|-------------|--------------|
| | Target | Revenue | \$ Change | % Change | Target | Revenue | \$ Change | % Change | Revenue | \$ Change | % Change |
| Gasoline | 6.15 | 6.25 | 0.10 | 1.63% | 65.78 | 65.46 | -0.32 | -0.49% | 65.68 | -0.22 | -0.34% |
| Diesel Fuel | 1.37 | 1.91 | 0.54 | 39.13% | 15.63 | 15.53 | -0.09 | -0.59% | 15.77 | -0.24 | -1.54% |
| MV Purchase & Use | 6.69 | 5.74 | -0.95 | -14.17% | 59.12 | 58.15 | -0.96 | -1.63% | 56.28 | 1.87 | 3.32% |
| Motor Vehicle Fees | 8.97 | 9.23 | 0.27 | 2.97% | 68.09 | 68.27 | 0.18 | 0.27% | 68.87 | -0.59 | -0.86% |
| Other | 1.91 | 2.09 | 0.18 | 9.26% | 19.83 | 19.35 | -0.48 | -2.44% | 16.95 | 2.40 | 14.14% |
| Total | 25.09 | 25.22 | 0.13 | 0.53% | 228.44 | 226.77 | -1.68 | -0.73% | 223.56 | 3.21 | 1.44% |

Note:

| | | | | | | | | | | | |
|---------------|------|------|------|--------|-------|-------|-------|--------|-------|------|--------|
| TIB Fuel | | | | | | | | | | | |
| Fees/Gasoline | 1.07 | 1.19 | 0.12 | 11.44% | 12.13 | 12.58 | 0.45 | 3.72% | 10.69 | 1.90 | 17.76% |
| TIB Fuel | | | | | | | | | | | |
| Fees/Diesel | 0.15 | 0.14 | 0.00 | -2.79% | 1.67 | 1.65 | -0.02 | -1.22% | 1.66 | 0.00 | -0.17% |

*Differences due to rounding

Education Fund By Major Element (In Millions)*

| Non-Property Tax Component | Month | | | | Fiscal YTD | | | | Prior Fiscal YTD Restated (1) | | |
|----------------------------|--------------|--------------|--------------|---------------|---------------|---------------|--------------|---------------|-------------------------------|--------------|--------------|
| | Target | Revenue | \$ Change | % Change | Target | Revenue | \$ Change | % Change | Revenue | \$ Change | % Change |
| Sales & Use (1) | 36.34 | 35.01 | -1.33 | -3.65% | 350.55 | 348.13 | -2.42 | -0.69% | 335.90 | 12.23 | 3.64% |
| Meals & Room (1) | 3.76 | 3.94 | 0.17 | 4.64% | 39.31 | 39.44 | 0.13 | 0.33% | 37.49 | 1.95 | 5.21% |
| MV Purchase & Use | 3.34 | 2.87 | -0.47 | -14.17% | 29.56 | 29.08 | -0.48 | -1.63% | 28.14 | 0.93 | 3.32% |
| Lottery Transfer | 2.36 | 3.31 | 0.95 | 40.33% | 21.55 | 22.19 | 0.63 | 2.94% | 20.22 | 1.97 | 9.73% |
| Investment Income | 0.13 | 0.13 | 0.01 | 5.52% | 0.75 | 0.58 | -0.18 | -23.72% | 0.46 | 0.12 | 25.72% |
| Total | 45.94 | 45.27 | -0.67 | -1.45% | 441.73 | 439.41 | -2.32 | -0.53% | 422.21 | 17.20 | 4.07% |

*Differences due to rounding

(1) Act 11 of 2018 changed State revenue and expense distributions to: (1) Sales and Use tax to the Education Fund, (2) 25% of the Meals and Rooms tax to the Education Fund; Both previously distributed to the General Fund; and (3) eliminating the General Fund transfer to the Education Fund. Prior Year (FY 2018) restated accordingly.

Comparative Statement of Revenues
General Fund
As of April 30, 2019

| | <u>Total to Date</u> <u>Last Year</u> | <u>Total to Date</u> <u>This Year</u> | <u>% of Change</u> |
|-----------------------------|--|--|-----------------------------|
| Taxes | | | |
| Personal Income Tax | 712,897,247 | 747,720,930 | 4.9% |
| Sales & Use Tax | 218,335,716 | 0 | -100.0% |
| Corporate Income Tax | 76,936,175 | 115,605,960 | 50.3% |
| Meals & Rooms Tax | 149,941,444 | 118,314,295 | -21.1% |
| Liquor & Wine Tax | 16,619,932 | 16,907,847 | 1.7% |
| Insurance Premium | 48,907,974 | 47,571,939 | -2.7% |
| Telephone Gross Receipts | 209,229 | 212,634 | 1.6% |
| Telephone Property Tax | 3,813,244 | 3,627,824 | -4.9% |
| Beverage Tax | 5,941,867 | 6,418,803 | 8.0% |
| Electric Generating | 0 | 0 | 0.0% |
| Inheritance & Estate Tax | 15,996,263 | 11,696,819 | -26.9% |
| Real Property Transfer Tax | 10,092,581 | 10,099,279 | 0.1% |
| Bank Franchise Tax | 11,077,918 | 10,409,571 | -6.0% |
| All Other Taxes | 1,559,562 | 1,848,064 | 18.5% |
| Total Taxes | <u>1,272,329,152</u> | <u>1,090,433,964</u> | <u>-14.3%</u> |
| Other Revenues | | | |
| Business Licenses | 1,151,163 | 1,117,787 | -2.9% |
| Fees | 39,115,019 | 38,567,753 | -1.4% |
| Services | 2,389,519 | 2,780,765 | 16.4% |
| Fines, Forfeits & Penalties | 2,684,008 | 2,718,947 | 1.3% |
| Interest, Prem | 1,825,505 | 3,439,598 | 88.4% |
| Special Assessments | 0 | 0 | 0.0% |
| All Other Revenues | 2,238,963 | 3,470,410 | 55.0% |
| Total Other Revenues | <u>49,404,176</u> | <u>52,095,260</u> | <u>5.4%</u> |
| Total General Fund | <u><u>1,321,733,329</u></u> | <u><u>1,142,529,223</u></u> | <u><u>-13.6%</u></u> |

**Comparative Statement of Revenues
Transportation Fund
As of April 30, 2019**

| | <u>Total to Date Last Year</u> | <u>Total to Date This Year</u> | <u>% of Change</u> |
|----------------------------------|------------------------------------|------------------------------------|--------------------|
| Non-Dedicated | | | |
| Taxes | | | |
| Gasoline | 65,678,858 | 65,455,192 | -0.3% |
| Diesel Fuel | 15,774,730 | 15,532,437 | -1.5% |
| MV Purchase & Use | 56,284,059 | 58,154,031 | 3.3% |
| Total Taxes | 137,737,648 | 139,141,661 | 1.0% |
| Other Revenues | | | |
| Motor Vehicle Fees | 68,867,822 | 68,274,885 | -0.9% |
| Other | 16,951,377 | 19,348,522 | 14.1% |
| Total Other Revenues | 85,819,199 | 87,623,407 | 2.1% |
| Total Non-Dedicated | 223,556,847 | 226,765,068 | 1.4% |
| Dedicated | | | |
| Federal Aid | 253,661,619 | 218,086,110 | -14.0% |
| Infrastructure Bond Fund Reven | 12,340,721 | 14,235,642 | 15.4% |
| Transportation Impact Fee | 93,085 | 158,151 | 69.9% |
| Other | 2,212,996 | 1,989,552 | -10.1% |
| Total Dedicated | 268,308,421 | 234,469,455 | -12.6% |
| Total Transportation Fund | 491,865,267 | 461,234,523 | -6.2% |

**Comparative Statement of Revenues
Education Fund
As of April 30, 2019**

| | <u>Total to Date Last Year</u> | <u>Total to Date This Year</u> | <u>% of Change</u> |
|---------------------------------|------------------------------------|------------------------------------|----------------------|
| Non-Dedicated | | | |
| Estimated Revenues: | | | |
| Sales & Use Tax | 117,565,385 | 348,128,030 | 196.1% |
| Meals & Rooms Tax | 0 | 39,438,098 | 100.0% |
| Purchase & Use Tax | 28,142,029 | 29,077,016 | 3.3% |
| Lottery Transfer | 20,219,732 | 22,187,433 | 9.7% |
| Investment Income | 457,763 | 575,508 | 25.7% |
| Total estimated revenues | <u>166,384,910</u> | <u>439,406,085</u> | <u>164.1%</u> |
| Other Revenues: | | | |
| Education Property Taxes | 83,095,808 | 90,682,870 | 9.1% |
| Electric Energy Educ Prop Tax | 0 | 0 | 0.0% |
| Uniform Capacity Tax | 752,508 | 1,296,314 | 72.3% |
| Medicaid Reimbursement | 0 | 0 | 0.0% |
| All Other Revenues | 847,711 | 552,132 | -34.9% |
| Total other revenues | <u>84,696,027</u> | <u>92,531,316</u> | <u>9.3%</u> |
| Total Education Fund | <u>251,080,937</u> | <u>531,937,401</u> | <u>111.9%</u> |